

DEMOV, MORRIS & HAMMERLING

ATTORNEYS AT LAW
40 WEST 57TH STREET
NEW YORK, N.Y. 10019

(212) 757-5050
CABLE DECAMOLAW
TELEX ITT 424291
TELECOPIER 757-6562

14642
RECORDATION NO. _____ Filed 1425
MAY 6 1985 -10 05 AM
INTERSTATE COMMERCE COMMISSION

May 3, 1985

Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Washington, D.C. 20423

Attention: Mrs. Mildred Lee, Room 2303

Re: Recordation of Railroad Leases

Dear Mrs. Lee:

I am enclosing two railroad car leases to be filed with the Interstate Commerce Commission. In that connection, enclosed please find the following documents:

1. An originally executed Lease Agreement dated October 5, 1984, by and between American Leasing Investors, a California limited partnership with a place of business at 733 Third Avenue, New York, New York 10017, and Cargill Incorporated, a Delaware corporation with a place of business at 715 East 13th Street, Wichita, Kansas 67201. Pursuant to this Lease Agreement, American Leasing Investors is leasing to Cargill Incorporated 65 4,650 cubic foot one hundred ton capacity four pocket covered hopper railroad cars for a monthly lease rate per railroad car of \$190.90. This Lease Agreement terminates on October 6, 1985.
2. A photocopy of the Lease Agreement described in Item 1 above, notarized by Walter Hinton, a Notary Public, as being a true and correct copy of the originally executed Lease Agreement.
3. An originally executed Lease Agreement dated October 22, 1984, by and between American Leasing Investors, a California limited partnership with a place of business at 733 Third Avenue, New York, New York 10017, and Northwestern Oklahoma Railroad Co., an Oklahoma corporation with a place of business at 125 East Lake Street, Suite 100, Bloomington, Illinois 60108. Pursuant to this

DEMOR, MORRIS & HAMMERLING

Interstate Commerce Commission
May 3, 1985
Page 2

Lease Agreement, American Leasing Investors is leasing to Northwestern Oklahoma Railroad Co. 61-4,650 cubic foot one hundred ton capacity four pocket covered hopper railroad cars for a lease rate per railroad car as described in paragraph 2 of the Lease Agreement. This Lease Agreement terminates on December 31, 1986.

4. A photocopy of the Lease Agreement described in Item 3 above notarized by Walter Hinton, a Notary Public, as being a true and correct copy of the originally executed Lease Agreement.

5. A check in the amount of \$20.00 payable to the Interstate Commerce Commission, representing the \$10.00 filing fee for each of the Lease Agreements referred to in Items 1 and 3 above.

Please acknowledge receipt of the enclosures by stamping and returning to me, in the enclosed self-addressed envelope, the duplicate copy of this letter enclosed herewith. Please call me if you have any questions.

Very truly yours,

Nancy C. Wallace

Nancy C. Wallace

NCW/jd

Enclosures

cc: Mr. Benjamin Jung
Jonathan M. Harris, Esq.
Craig S. Medwick, Esq.

RECEIPT ACKNOWLEDGED:

Mrs. Mildred Lee

Interstate Commerce Commission
Washington, D.C. 20423

5/6/85

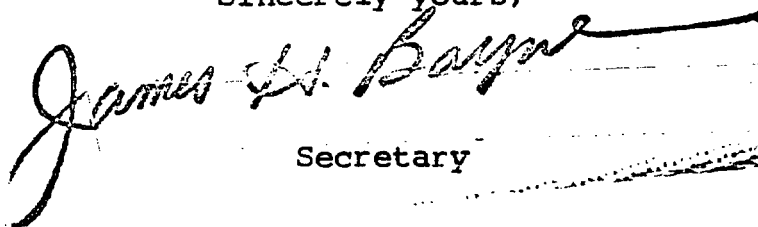
OFFICE OF THE SECRETARY

Demov, Morris, Levin, & Hammerling, Esqs.
40 West 57th Street
New York, N.Y. 10019

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/6/85 at 10:05am and assigned re-recording number(s). 14642 & 14643

Sincerely yours,


Secretary

Enclosure(s)

MAY 6 1985 10 05 AM

RAILCAR OPERATING LEASE AGREEMENT

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT, made and entered into as of this 5th day of October, 1984, by and between American Leasing Investors, a California limited partnership, hereinafter called "Lessor", and Cargill Incorporated, a Delaware corporation, hereinafter called "Lessee".

1. Equipment and Lease Charges: Lessor agrees to furnish to the Lessee, and the Lessee agrees to accept and use, upon the terms and conditions herein set forth, the following described railcars (hereafter "Cars"), for the use of each of which the Lessee agrees to pay Lessor the following lease charges (hereafter "Lease Charges"):

Number of Cars	Description	Lease Charges
65	4,650 cubic foot, 100 ton capacity, four pocket covered hopper railcars built in 1979	Monthly lease rate per Car is \$190.00

Lease Charges shall become effective, with regard to each of the Cars, upon the date of the delivery of each as hereafter provided in Article 2, and shall continue in effect, with regard to each of the Cars, until returned to Lessor at the end of the term of this Agreement, as hereafter provided in Article 5. Payment of Lease Charges shall be made to Lessor at the address specified in Article 16, or to such other place as Lessor may direct, on the last day of each month in arrears, with the first month's payment due on the last day of the month following the month the last Car is delivered as provided in Article 2 below. Rent for any Car for any partial month shall be pro-rated on a daily basis. Lessee shall pay to Lessor as additional Lease Charges 2.5 cents per mile per Car for each mile a Car travels in excess of 20,000 miles during the term of this Agreement. Lessor will invoice Lessee for these amounts and Lessee will pay Lessor within thirty (30) days of said invoice. Any costs incurred by Lessor in collecting Lease Charges wrongfully withheld by Lessee, including reasonable attorney fees, will be paid by Lessee.

Lessee shall not be entitled to any abatement of rent, reduction thereof or set-off, counterclaim, recoupment or defense against rent or any other amount payable hereunder for any reason whatsoever, including, but not limited to, abatements, reductions, set-offs, counterclaims, recoupments or defenses due or alleged to be due by reason of any past, present or future claims of Lessee against Lessor or any other person for any reason whatsoever, except to the extent of any abatement under Articles 4 and 6 below; nor shall this Agreement terminate or the obligations of Lessee be otherwise affected by reason of any defect in the condition, design, operation or fitness for use of any Car or

damage to or loss of possession or loss of use or destruction of all or any of such Cars from whatever cause and of whatever duration, except as otherwise provided in Articles 4 and 6 below, or the prohibition of or other restriction against Lessee's use of all or any such Cars, or the interference with such use by any person or entity or the invalidity or unenforceability or lack of due authorization of this Agreement or any insolvency of or the bankruptcy, reorganization or similar proceeding against Lessee.

Lessor covenants that so long as Lessee is not in default hereunder, Lessee shall have and enjoy an unconditional right quietly to enjoy and use all Cars free from any disturbance or interruption of possession arising as a result of any action or inaction, failure of title, or conduct of or by Lessor, or of or by any assignee of its rights hereunder.

2. Delivery of Cars: Cars will be considered delivered on October 6, 1984. Lessor will restencil Cars within forty-eight (48) hours of notification that Cars are at the Cargill facility in Wichita, Kansas or are at the Cargill facility in Sioux City, Iowa. Any per diem earned on any Car marked WAR 14100 through 14164 after October 5, 1984 will be reimbursed to Lessee up to \$190.00 per month.

3. Warranties and Representation: LESSOR MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND RESPECTING THE CARS WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED AND LESSOR HAS NOT MADE AND DOES NOT HEREBY MAKE, NOR SHALL IT BE DEEMED BY VIRTUE OF HAVING LEASED THE CARS PURSUANT TO THIS AGREEMENT TO HAVE MADE, ANY REPRESENTATION OR WARRANTY AS TO THE MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE WORKMANSHIP IN, THE CARS, ALL OF WHICH ARE EXPRESSLY DISCLAIMED AND LESSOR SHALL NOT BE LIABLE, IN CONTRACT, TORT OR OTHERWISE, ON ACCOUNT OF ANY DEFECT, WHETHER HIDDEN, LATENT OR OTHERWISE DISCOVERABLE OR NONDISCOVERABLE RESPECTING ANY CAR.

4. Responsibility for Damage or Destruction of Cars: In the event damage beyond repair or destruction of a Car occurs while on the property of the Lessee, the Lessee will pay to the Lessor the appropriate amount due in accordance with Rule 107 of the AAR Car service and Car Hire Agreement Code of Car Hire Rules-Freight.

Upon payment by Lessee to Lessor of the settlement value of any Car as hereinabove provided, so long as Lessee is not in default hereunder, such Car and/or devices shall become the property of the Lessee. In order to facilitate the sale or other disposition of any Car which becomes Lessee's property as hereinbefore provided, Lessor shall, upon request of Lessee, execute and deliver to Lessee or to Lessee's vendee, assignee or nominee, a bill of sale for such Car, warranting title free and clear of all liens, security interests, and other encumbrances (except

such as may have arisen by, through or under Lessee during the term of this Agreement) and such other documents as may be required to release such Car from the terms and scope of this Agreement and from any other lien or encumbrance of Lessor's making, undertaking or sufferance, in such forms as may be reasonably required by the Lessee.

5. Return of Cars: The Lessee agrees, immediately upon the expiration or termination of this Agreement without demand by Lessor, to return each of the Cars to Lessor uncontaminated and in the same condition as received, less reasonable wear and tear, and free of liens arising by, through or under Lessee, at a point mutually agreed to, and to pay rent on each Car until such return. Lessee, at its expense, shall restore or repair as required hereunder any damage to the Cars for which Lessee is responsible under this Agreement. Rent for each Car shall cease as each Car is returned in the above condition to the point referenced below. Lessee agrees to transport the Cars free of charge to any point within 1000 miles of St. Louis, Missouri.

6. Maintenance: Lessor agrees to cause to be maintained at its own expense each of the Cars in good condition and repair, in conformity with all applicable laws and regulations including the A.A.R. Code of Rules and FRA Railroad Freight Car Safety Standards except for the following:

(a) Repairs or maintenance required as a result of damage caused by the Lessee, its agents, representatives, customers or independent contractors or any third party; or

(b) Repairs or maintenance required because of damage caused to the Cars by any corrosive or abrasive substance loaded therein or used in connection therewith; or

(c) Repairs or maintenance required because of damage caused to the Cars by open flames, vibrators, sledges or other similar devices during loading or unloading operations; or

(d) Repairs or maintenance required because of excessive or unbalanced loading.

Lessee will make the Cars available to Lessor or its contractors at any facility specified by Lessor at any reasonable time on request for the purpose of maintenance inspection and to ensure regular maintenance or repairs. Lessee shall pay all transportation charges for moving any Car to the repair or inspection facility designated by Lessor. Rent shall abate for any Car requiring repairs or inspection as of the date the Car is delivered to the repair or inspection facility designated by Lessor; rent shall resume as of the date that such Car is returned to the Lessee in serviceable condition.

In the case of damage caused to any of the Cars which is the responsibility under AAR Rules of a railroad and not repaired by such railroad, Lessor will cause to be performed the necessary repairs and will prepare and submit such documents as are necessary to recover the cost of such repair in accordance with AAR Rules and will perform all necessary administrative tasks in connection with such counterbilling. Lessor will be solely entitled to any sum so recovered.

Lessee will, at Lessor's request, take such reasonable action as Lessor may specify to modify operating conditions within Lessee's control which in Lessor's reasonable opinion are causing undue and avoidable wear or damage to the Cars.

Neither party to this Agreement will alter materially the physical structure or allow any third party to alter materially the physical structure of any of the Cars without the other party's written consent.

Lessor reserves the right to retire any car that in its sole opinion it deems uneconomical to repair. Lessee's obligation to pay rent shall abate for any Car retired by Lessor as of the date on which it is retired.

7. Freight and Other Charges: Lessor shall not be obligated for the payment of any switching, freight, or other charges incurred by the movement or the holding of the Cars, either loaded or empty, during the term of this Agreement, all of which will be paid by Lessee. Lessor shall have no right or claim to any per diem, demurrage Car hire charges or mileage allowances arising out of the use of the Cars and all such charges, as applicable, shall belong and be payable to Lessee. All such charges paid to the Lessor shall be forwarded to the Lessee on a monthly basis along with supporting documents.

8. Lettering of Cars: Lessor will supply reporting marks for the Cars in accordance with the A.A.R. Code of Rules as indicated in Exhibit A. Lessee agrees to keep and maintain on the sides of each Car in letters not less than one-half inch in height the words "OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE INTERSTATE COMMERCE COMMISSION".

9. Responsibility for Taxes: Lessor agrees to pay any personal property taxes associated with the Cars. Lessee agrees to assume responsibility for, and to pay, all other taxes, costs, fines and assessments of every kind upon the Cars, and to file all reports relating thereto; provided, however, that Lessee shall not be responsible for federal or state taxes based upon the income of Lessor.

10. Responsibility for Lading: Lessor shall not be liable for any loss of, or damage to, commodities, or any part thereof, loaded or shipped in the Cars, however such loss or

damage shall be caused, or shall result. The Lessee agrees to assume responsibility for, and to indemnify Lessor against, and to save it harmless from, any such loss or damage or claim therefor.

11. Indemnification: Lessee agrees to indemnify and save Lessor harmless from any and all claims, demands, causes of action, cost, and expenses, including attorney fees, arising directly or indirectly out of the use, custody, control, or operation of the Cars, whether in contract, tort, strict liability in tort or otherwise, except where attributable to acts or omissions of Lessor. In any personal injury action(s) arising from the operation of said Cars naming Lessor as a defendant, Lessee agrees, except for losses caused by the acts or omissions of Lessor, if Lessor so requests, to undertake the defense and costs associated therewith immediately upon tender of said defense, including payment of any judgment directed against Lessor jointly or severally for which liability Lessee has indemnified Lessor. Lessee also agrees to pay and indemnify Lessor from any and all penalties, fines, and levies arising from the operation of said Cars under this Agreement. Lessee's obligations hereunder shall survive the termination of this Agreement.

12. Assignment: Lessee shall be entitled to the possession and use of the Cars in accordance with the terms of this Agreement. Except as herein provided, Lessee will not assign, transfer, encumber or otherwise dispose of this lease, the Cars or any part thereof, or sublet any Car without the prior written consent of Lessor. Lessee will not permit or suffer any encumbrances or liens to be entered or levied upon any Car, other than such as may arise by, through, or under Lessor or any assignee of Lessor's rights hereunder.

Lessee acknowledges and understands that Lessor may, without notice to Lessee, assign its interest under this Agreement and in and to the Cars to a bank or other lending institution as security for one or more loans. Lessee agrees, in the event of any such assignment and upon notice thereof from Lessor, and only in the event of such assignment to one or more such assignees: (i) to recognize such assignment; (ii) to make all payments of Lease Charges and other amounts due under the Agreement as so assigned directly to the assignee identified in such notice or to its designee; (iii) to accept the directions or demands of such assignee in place of those of the Lessor; (iv) to surrender the Cars to such assignee upon termination of this Agreement; (v) that, in the event of such assignment and except as otherwise provided in Articles 4 and 6, Lessee's obligations hereunder with respect to payment of Lease Charges shall not be subject to any reduction, abatement, defense, set-off, counterclaim or recoupment for any reason whatsoever; (vi) except as otherwise provided in Articles 4 (with respect to any Car which becomes Lessee's property), 5, 6 and 14, not to terminate this Agreement; provided, however, nothing contained in this Article

12 shall relieve Lessor from its obligations to Lessee hereunder, nor shall any assignee hereof be relieved of the obligation to release its interests in any Car to facilitate Lessor's obligations contained in the second paragraph of Article 4 hereof.

13. Remedies: If the Lessee after five business days notice shall fail to carry out and perform any of the obligations on its part to be performed under this Agreement, or if a petition, in bankruptcy, for reorganization, for a Trustee, or for a Receiver, shall be filed by or against the Lessee, then, and in any of said events, Lessor shall have all rights available to it at law or in equity, including without limitation the right immediately to repossess the Cars, to remove the Cars from the Lessee's service, to terminate this Agreement, and recover any and all damages sustained as a result of Lessee's fault. If Lessor shall terminate this Agreement pursuant to this Article 13, Lessee shall remain liable for all unpaid rent and other amounts due hereunder. The rights and remedies herein given to Lessor shall in no way limit its other rights and remedies given or provided by law or in equity. If Lessor after five (5) business days' notice shall fail to carry out and perform any of the obligations on its part to be performed under this Agreement, or if petition in bankruptcy, for reorganization, for a Trustee, or for a Receiver, shall be filed by or against the Lessor, then, and in any of said events, Lessee shall have the right to immediately terminate this Agreement and Lease Charges hereunder shall cease. If Lessee shall terminate this Agreement pursuant to this Article 13, the rights and remedies herein given to Lessee shall in no way limit its other rights or remedies given or provided by law or in equity.

14. Term of Agreement: This Agreement shall remain in full force and effect, with regard to each of the Cars, for a period of twelve (12) months from the first day of the following month following the average date of delivery of all of the Cars. Lessor shall advise Lessee of the average date of delivery of all of the Cars. The Agreement shall be binding upon and inure to the legal representatives and successors.

15. OT5 Authority: Lessor will, before delivery of any Car, obtain any permission or authority which may be necessary for the operation of the Cars under AAR Circular OT5. If OT5 authority is cancelled during the term of this lease, Lessee's obligations under this lease shall terminate one month from such date, and Lessor may terminate this lease and enforce its rights under Section 5. Should OT5 be cancelled, Lessee shall use its best efforts to place these cars in service at other Lessee loading points.

16. Notice: Any notice to be given under this Agreement shall be given by certified mail in the following manner:

(a) Notices from Lessor to Lessee shall be sent to:

Cargill, Incorporated
P.O. Box 9300
Minneapolis, Minnesota 55440
Attn: Douglas Eichorn - Dept. 2

(b) Notices from Lessee to Lessor shall be sent to:

Integrated Resources Equipment Group, Inc.
733 3rd Avenue
New York, New York 10017
Attn: Vice President - Administration

17. Execution: This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract. This Agreement may be signed in separate counterparts as long as each party hereto shall have signed at least one counterpart.

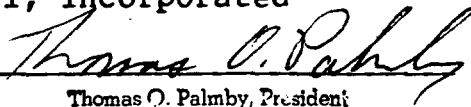
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed and delivered that day and year first above written.

ATTEST:


Rodney M. Olson, Assistant Secretary

Cargill, Incorporated

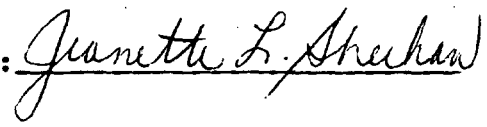
By:


Thomas O. Palmby, President

Title: Domestic Soybean Processing Division

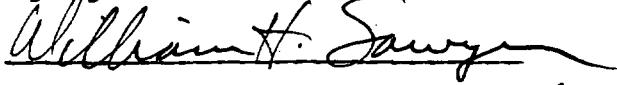
Date: _____

ATTEST:


Jeanette L. Sheehan

American Leasing Investors
By ALI Equipment Managing Corp.
Managing General Partner

By:


Title: Executive Vice President

Date: October 15, 1984

EXHIBIT A

EQUIPMENT DESCRIPTION

<u>Description</u>	<u>Number of Cars</u>	<u>Car Markings</u>
4,650 cubic foot, 100 ton capacity, four pocket covered hopper railcars built in 1979 by National Steel Car.	65	HLMX 14100-14164

CERTIFICATE

I, Walter Hinton, a Vice President of ALI Equipment Management Corp. and a Notary Public, hereby certify that the photocopy of the Lease Agreement annexed hereto by and between American Leasing Investors, a California limited partnership, and Cargill Incorporated, a Delaware corporation, is a true, correct and complete copy of the original of such Lease Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand
this 30th day of April, 1985.

Walter H. Hinton

Walter Hinton, Vice President
of ALI Equipment Management
Corp. and a Notary Public

WALTER H. HINTON
Notary Public, State of New York
No. 31-4789832
Qualified in New York County
Term expires March 30, 1987